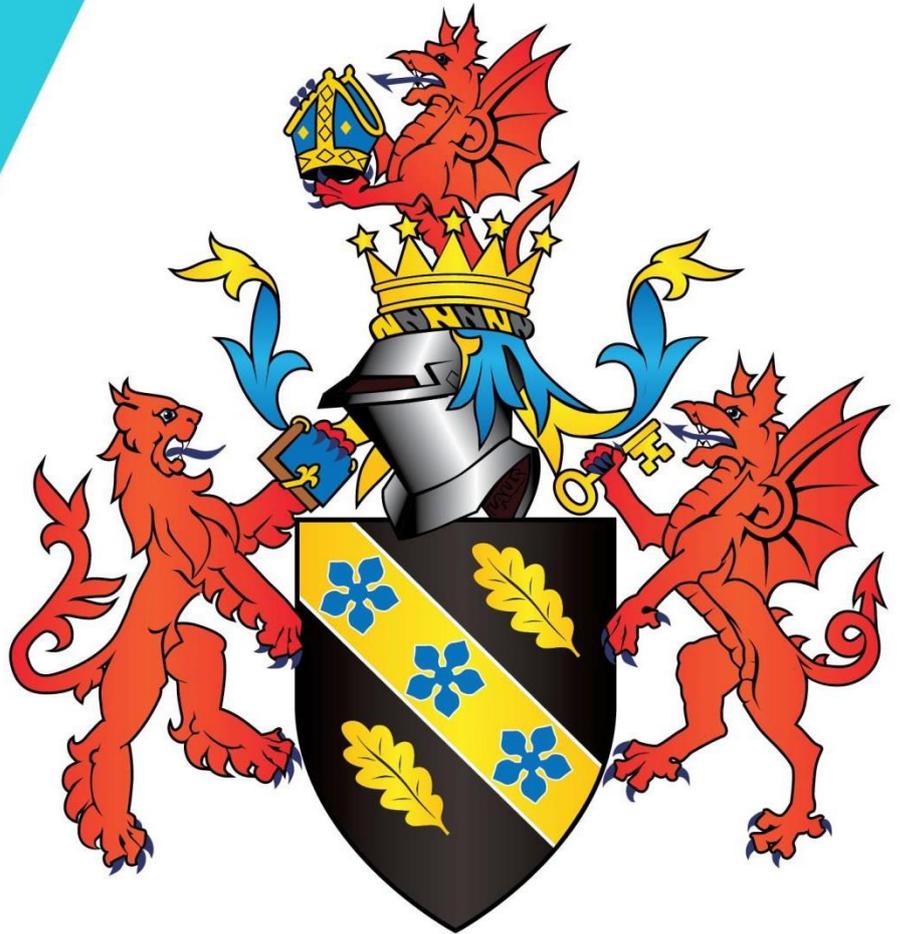




Prifysgol Cymru
Y Drindod Dewi Sant
University of Wales
Trinity Saint David



Ethical Investment Policy

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The University's Ethical Investment Policy reflects the ethical values of its students, staff, local, regional, national communities and all our other stakeholders regarding investment decisions. It reflects the full scope of the University's investment portfolio. The University seeks constructive engagement with private and public sectors, the purpose of which is to maximise both public benefit and financial sustainability. Thus a decision to invest does not necessarily preclude investment where the returns expected are below the maximum commercial interest dividends which may accrue, where pursuit of such maybe deleterious to the University's commitments. The Ethical Investment Policy carries equal weight to other investment policies within the University.

The University is embarking on a period of increased capital investment, partly funded by existing third party investments. During this period, UWTSD will seek to first access and draw down funds in fossil fuel based portfolios and portfolios that are not consistent with this policy.

The University shall consider the ethical, social, economic and environmental consequences of its investments. The University will adopt a 'threefold' methodology in its decision making process comprising: screening, preference and engagement. These strategies may be used individually or in combination, for example using screening with a small number of criteria, and then a preference approach on the list of acceptable companies remaining to identify positive and negative impacts of the companies. The University assigns preference to social enterprises, companies with good employment practices, showing respect for human rights, embedding corporate responsibility into their day-to-day operations, aiming to reduce their ecological impact and contributing to the wider community. As well as conventional factors we also consider the extent to which a company understands and manages the social and environmental threats and opportunities it faces. This additional perspective enables us to identify companies which are ideally suited to meeting the challenges of the future.

The University will not knowingly invest in companies whose activities include practices which directly pose a risk of serious harm to individuals or groups, or whose activities are inconsistent with the mission and values of the University.

In order to give effect to its commitment to this policy the University will develop an Ethical Investment Action Plan. The Plan is coordinated by the Head of Sustainability Delivery. The Senior Management team holds responsibility for the implementation of the Action Plan. The Plan is reported to the Resources Committee. The primary objectives of the Plan are to:

- Not knowingly undertake new investments in arms companies or corporations complicit in violation of international law.
- Divest from fossil fuel companies by prioritizing draw down from existing funds invested in fossil fuel companies when funding upcoming capital investments.
- Review this policy and progress against the Ethical Investment Action Plan at least annually at the Resources Committee.
- Consider representation from members of the University community, including the student body, through the University committee structure, regarding matters that the University should not invest, or should disinvest, in specific companies.
- Issue guidance for fund managers responsible for the University's investments.
- Provide clear processes by which stakeholders can make representations about companies and sectors that breach the Ethical Investment Policy.
- Increase, where viable, the percentage of investments that are placed in socially and environmentally responsible funds.

As an investor, the University has three means of bringing pressure to bear on corporate behaviour, namely; judicious acquisition, divestment, and engagement. The University will use a divestment strategy if the company we invest in is deemed to be in fundamental breach of ethical and environmental standards.

Judicious acquisition means that the University's investment managers will apply the agreed ethical and environmental criteria when developing the University's investment portfolio.

Divestment is a final resort strategy in the event of a Company in which the University holds shares being in fundamental breach of ethical investment standards.

Engagement describes a range of strategies through which the University may advocate greater adherence to ethical and environmental standards by companies which

demonstrate socially and environmentally responsible business practices, which are in accordance with the University's values and principles.

The Ethical Investment Policy will be reviewed on an annual basis. Policy amendments will be coordinated by the Head of Sustainability Delivery in coordination with relevant parties, including Finance Department and the Students' Union, before presentation to the Senior Management Team and Resources Committee. The operation of the policy, reflected by the Plan, will be reported to and considered by the Senior Management Team and Resources Committee and incorporated into the annual reports.

Signed:

Deputy Vice-Chancellor (Finance & Planning)

Date: